

ABANS ELECTRICALS PLC

**INTERIM
FINANCIAL STATEMENTS**

Six Months Ended 30th September 2016

ABANS ELECTRICALS PLC

STATEMENT OF COMPREHENSIVE INCOME

	Qtr Ended 30.09.2016 Rs.	Qtr Ended 30.09.2015 Rs.	06 Months Ended 30.09.2016 Rs.	06 Months Ended 30.09.2015 Rs.	Qtr Variance
Turnover	1,035,814,554	875,292,399	1,903,890,329	1,516,716,700	18.34%
Cost of sales	(912,592,428)	(749,200,446)	(1,686,242,684)	(1,294,912,801)	21.81%
Gross profit	123,222,126	126,091,953	217,647,644	221,803,899	-2.28%
Other income	15,090,530	7,891,123	28,280,214	15,235,351	91.23%
Distribution cost	(24,286,807)	(25,497,226)	(45,106,693)	(48,064,126)	-4.75%
Administrative expenses	(62,087,567)	(56,245,345)	(120,267,124)	(113,870,214)	10.39%
Finance and other expenses	(23,767,669)	(9,883,360)	(35,459,029)	(17,329,867)	140.48%
Profit before taxation	28,170,615	42,357,145	45,095,013	57,775,043	-33.49%
Income tax expenses	(5,292,814)	(1,968,168)	(8,754,006)	(1,968,168)	
Profit for the year	22,877,801	40,388,977	36,341,006	55,806,875	-43.36%
Other comprehensive income for the year net of tax	-	-			
Total comprehensive income	22,877,801	40,388,977	36,341,006	55,806,875	
Earnings per share - Basic	4.48	7.90	7.11	10.92	

ABANS ELECTRICALS PLC

STATEMENT OF FINANCIAL POSITION

	30.09.2016	31.03.2016
	Rs.	Rs.
Non Current Assets		
Property, plant and equipment	595,525,781	572,881,462
Intangible assets	11,420	12,735
Investments in subsidiaries	11,454,000	11,454,000
Investments in fixed deposits	134,883,274	119,907,426
Total Non Current Assets	<u>741,874,475</u>	<u>704,255,624</u>
Current Assets		
Inventories	628,752,670	435,882,590
Trade and other receivables	118,493,379	98,231,328
Deposits , advances & prepayments	40,312,614	18,402,949
Amounts due from related parties	659,112,800	727,634,815
Cash and cash equivalent	74,698,007	32,882,564
Total Current Assets	<u>1,521,369,470</u>	<u>1,313,034,246</u>
Total Assets	<u>2,263,243,944</u>	<u>2,017,289,870</u>
Capital and Reserves		
Stated capital	186,732,000	186,732,000
Capital reserves	2,100,000	2,100,000
Retained earnings	610,150,454	589,141,128
Total Equity	<u>798,982,454</u>	<u>777,973,128</u>
Non Current Liabilities		
Borrowings	18,828,000	28,056,000
Retirement benefit obligation	108,197,585	101,890,133
Revenue grant	538,414	2,153,651
Deferred tax liability	40,455,796	40,455,796
Non Current Liabilities	<u>168,019,794</u>	<u>172,555,580</u>
Current Liabilities		
Trade and other payables	513,980,207	448,488,462
Income tax payable	4,291,904	24,528,197
Deferred service income	45,398,884	37,380,094
Amounts due to related parties	32,329,866	24,424,887
Borrowings	700,240,836	531,939,521
Current Liabilities	<u>1,296,241,696</u>	<u>1,066,761,162</u>
Total Liabilities	<u>1,464,261,491</u>	<u>1,239,316,742</u>
Total Equity and Liabilities	<u>2,263,243,944</u>	<u>2,017,289,870</u>

ABANS ELECTRICALS PLC

CASH FLOW STATEMENT

	Qtr Ended 30.09.2016 Rs.	Qtr Ended 30.09.2015 Rs.
Net profit before interest and taxation	80,554,041	75,104,910
Adjusted for:		
Profit from sale of property, plant & equipment	(554,054)	(871,659)
Depreciation	36,210,774	31,988,404
Defined benefit plan costs (Gratuity)	9,600,000	9,650,000
Interest Income	(5,845,520)	(1,484,733)
Bad debts provision	900,000	900,000
Provision for obsolete stock	600,000	600,000
Deferred income	(27,693,330)	(4,678,334)
Asset grant income	(1,615,237)	(1,615,237)
Cash flow from operating activities before working capital changes	92,156,674	109,593,351
(Increase) / decrease in receivables	(21,162,044)	(39,977,065)
(Increase) / decrease in deposits	(21,909,664)	(6,823,387)
(Increase) / decrease in inventories	(193,470,080)	(245,187,866)
(Increase) / decrease in related company transactions	76,426,993	(14,751,822)
Increase / (decrease) in accounts payable	222,266,232	370,622,646
Net Cash and Cash Equivalent from operating activities	154,308,111	173,475,856
Income tax paid	(28,990,300)	(1,000,000)
Gratuity paid	(3,292,547)	(3,234,018)
Interest paid	(31,600,369)	(15,504,354)
Net cash and cash equivalent from operating activities	90,424,895	153,737,484
Investing activities		
Interest income	5,845,520	1,484,733
Purchase of property, plant and equipment	(58,853,778)	(48,468,700)
Proceeds from disposal of property, plant & equipment	554,054	3,895,578
Investment in fixed deposits	(14,975,847)	(20,187,487)
Net cash and cash equivalent utilized in investing activities	(67,430,051)	(63,275,877)
Financing activities		
Dividend paid	(15,331,680)	(12,776,400)
Repayment of loans	(9,228,000)	(9,228,000)
Net cash and cash equivalent from financing activities	(24,559,680)	(9,228,000)
Net increase / (decrease) in cash and cash equivalents	(1,564,836)	81,233,607
Cash and cash equivalents at the beginning of the year	31,066,925	16,831,377
Cash and cash equivalents at the end of the year	<u>29,502,089</u>	<u>98,064,984</u>

ABANS ELECTRICALS PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.	Capital Reserves Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 31 st March 2015	186,732,000	2,100,000	526,054,407	714,886,407
Net profit for the year	-	-	55,806,874	55,806,874
Final Dividend 2014/2015	-	-	(12,776,400)	(12,776,400)
Balance as at 30 th September 2015	186,732,000	2,100,000	569,084,881	757,916,881
Balance as at 31 st March 2016	186,732,000	2,100,000	589,141,128	777,973,128
Net profit for the year	-	-	36,341,006	36,341,006
Final Dividend 2015/2016	-	-	(15,331,680)	(15,331,680)
Balance as at 30 th September 2016	186,732,000	2,100,000	610,150,454	798,982,454

Notes to the Financial Statement

- 1 The company has followed the same Accounting Policies and Practices as disclosed in the Annual Report for the year ended 31st March 2016.
- 2 The above figures are provisional and subject to Audit.
- 3 There have been no event subsequent to the interim period , which require disclosure in the Interim Financial Statements.
- 4 Deferred Tax has not been adjusted.

	Qtr Ended 30.09.2016 Rs.	Qtr Ended 30.09.2015 Rs.	Year to 31.03.2016 Rs.
Net Assets Per Share	156.34	148.30	152.23
Market Price per Share			
- Highest	135.00	164.90	143.90
- Lowest	118.00	117.00	95.60
- Last Traded Price	118.00	137.80	111.10

ABANS ELECTRICALS PLC

NOTES TO THE FINANCIAL STATEMENTS

Business segmental information- 06 months ended 30th September 2016

Rs. In Millions

	Manufacturing		Services		Total	
	2016/2017	2015/2016	2016/2017	2015/2016	2016/2017	2015/2016
Business Segment						
Turnover & Results						
Revenue - Manufacturing	1,333.08	1,063.35	-	-	1,333.08	1,063.35
- Services	124.81	55.28	446.00	398.08	570.81	453.36
Profit/ (Loss) for the year-Before Tax	(0.96)	15.63	46.05	42.14	45.10	57.77
Segment Operating Assets	1,447.15	1,312.62	827.43	673.33	2,274.57	1,985.95
Segment Operating Liabilities	1,047.93	900.24	280.64	222.43	1,328.57	1,122.67
Capital expenditure	18.75	5.05	40.10	43.41	58.85	48.46
Depreciation	24.56	21.40	11.65	10.59	36.21	31.99

Notes :

-Main products of Manufacturing Segment are Refrigerators, Washing Machines, Cookers and Air Conditioners.

-Under the Service Segment , company provides the services of repairs , Installations and sales of spares

Related party disclosures for the period ending 30.09.2016

Company	Relationship	Nature of Transaction	Rs. Mn
Abans PLC	Parent	Sales of Goods/Services	251.87
		Reimbursement of Warehouse	(16.97)
		Wharf Expenses	(0.12)
Abans Retail (Pvt) Ltd	Affiliate	Sales of Goods	1,596.06
		Reimbursement of Warehouse Expenses	7.98
Abans Marketing (Pvt) Ltd	Affiliate	Rent Expenses	(1.50)
Crown City Developers (Pvt) Ltd	Affiliate	Logistic Expense	(19.15)
Abans Engineering (Pvt) Ltd	Affiliate	Expenses on Purchases	(7.78)
Abans Logistics	Affiliate	Freight Expense	(5.03)

ABANS ELECTRICALS PLC

ADDITIONAL NOTES

- **No of Shares representing Stated Capital** 5,110,560

- **Directors Shareholding as at 30th September 2016**

<u>Name</u>	<u>Position</u>	<u>No of Shares</u>
Mrs. Aban Pestonjee	Director/Chairperson	293,438
Mr.Behman Pestonjee	Director	120
Mrs.Saroshi Dubash	Director	295,820
Mr.Allen Raffel	Director	5,040
Mr. Clive Fernando	Director	1,223
Prof. Lakshman Ravendra Watawala	Independent Non Executive Director	NIL
Mrs. Dayangani Priyanthi Pieris	Independent Non Executive Director	NIL

- **Total Number of Public Shareholders** 1,452

- **Public Holding Percentage** 40.52%

ABANS ELECTRICALS PLC

ADDITIONAL NOTES

- **20 Largest Shareholders as at 30th September 2016**

	Name	No. Of Shares	%
1	Abans PLC	2,195,179	42.95 %
2	Mrs. Saroshi Dubash	295,820	5.79 %
3	Mrs. Aban Pestonjee	293,438	5.74 %
4	Mr. Rusi Pestonjee	226,872	4.44 %
5	Mr. P N Pestonjee	199,952	3.91 %
6	Bank of Ceylon No. 01 Account	196,303	3.84 %
7	Dr. K Poologasundram	72,076	1.41 %
8	Mr. A J M Jinadasa	65,000	1.27 %
9	Dr. S Yaddhige	50,000	0.98 %
10	Seylan Bank PLC/C N Rajahmoney	46,039	0.90 %
11	Mr. G C Goonetilleke	44,000	0.86 %
12	Mrs. B S Rasanayagam	43,680	0.85 %
13	Mr. N R Selvadurai	40,000	0.78 %
14	Mr. A J Dubash	38,808	0.76 %
15	J B Cocoshell (Pvt) Ltd	37,765	0.74 %
16	Union Bank of Colombo PLC/Mr. S. Abishek	33,017	0.65 %
17	Tranz Dominion, L.L.C.	31,611	0.62 %
18	People's Leasing & Finance PLC/ Hi Line Trading (Private) Limited	30,000	0.59 %
19	Mrs. F F Hanifa	30,000	0.59 %
20	Mr. T Liyanage	23,868	0.47 %

(Sgd) Mrs. Aban Pestonjee
Chairperson

(Sgd) Mr. Clive Fernando
Director

Date: 10.11.2016